

Agricultural Situation

MAY 1963

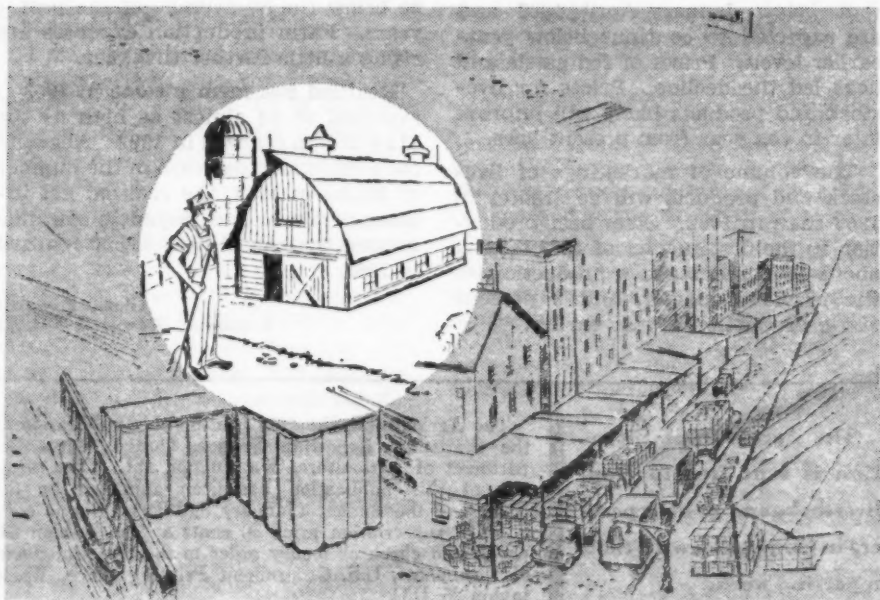
Vol. 47, No. 5

Statistical Reporting Service
U.S. Department of Agriculture

1963 FARMERS' CASH RECEIPTS EXPECTED TO BE NEAR 1962

Demand for farm products is continuing to expand about in proportion to increases in population. Per capita consumption of farm products, particularly livestock products, may be a little higher in 1963 than in 1962. Exports of farm products are expected to continue near the record exports of

1961 and 1962. Production of crops and livestock is increasing a little more this year; supplies of some products, notably beef and pork, are up substantially. Consequently, prices received by farmers are declining somewhat, and small additions to carryover stocks next January 1 are possible.



Cash receipts from farm marketings of crops in 1963 may total a shade above the \$15.9 billion in 1962. Crop prices in January-April of this year were 2½ percent above year-earlier prices but may decline late in the year as the new and possibly larger crops become available.

Price support levels for some crops in 1963 are slightly above levels for the current crop, but support levels for some grains include payments-in-kind. Consequently, the 1963 support programs permit lower market prices for some crops, especially for wheat, while maintaining income to farmers. Crop prices for calendar 1963 likely will average around the level of 1962.

A small rise in the volume of crop marketings may occur in 1963. March intentions of farmers were to increase plantings of major crops in 1963 around 2 percent, reflecting more corn, soybeans, sorghum, and spring wheat but less cotton, tobacco, oats, barley, Durum wheat, and hay. The 1962 crop was 1 percent above 1961 and about equal to 1960.

Cash receipts from marketing livestock and products in 1963 likely will show little change from the \$19.8 billion received in 1962. Livestock prices in January-April were about 2½ percent below January-April 1962 and are expected to continue below year-earlier levels. Prices of fed cattle and hogs led the decline. Prices for livestock and products likely will improve later in the year from present lows.

The volume of marketings of livestock and products will be greater in 1963 than in 1962. Steer beef production in the first quarter of 1963 totaled about 13 percent above production in the previous quarter, and 3 percent above production a year earlier.

Hog slaughter in the first quarter ran about 2 percent below the previous quarter, but was 5 percent above slaughter during the first quarter of 1962. Hog slaughter in the second quarter is expected to exceed year-earlier slaughter by a small margin.

Production of poultry may be up slightly from 1962 and that of eggs down slightly. Milk production during the first quarter of 1963 was below that of a year earlier; farm marketings for the year are expected to show about a 1-percent increase.

Overall, little change in cash receipts from farm marketings is seen for 1963; increased receipts anticipated for wheat, tobacco, soybeans, and fruit likely will be offset by smaller receipts for cotton and vegetables. Government payments to farmers will increase this year, possibly by a tenth. Realized gross income of farmers likely will be just above the \$40.6 billion grossed in 1962. However, prices farmers pay for production items, family living, wage rates, interest, and taxes are continuing to rise.

The parity ratio, or ratio of prices received by farmers to prices paid, dipped to 77 in March, the lowest monthly ratio since December 1959. For the year, the ratio is expected to be below the 80-average of the past 4 years. Farm production expenses are rising a little further this year.

Realized net farm income in 1963 is expected to be almost as high as the \$12.9 billion realized in 1962. Allowing for a continued decrease in the number of farms in 1963, the realized net income per farm is expected to continue around the record high \$3,500 realized in 1962.

Clark Edwards
Economic Research Service

The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work.

The Agricultural Situation is a monthly publication of the Statistical Reporting Service, United States Department of Agriculture, Washington, D.C. The printing of this publication has been approved by the Bureau of the Budget (January 8, 1959). Single copy 5 cents, subscription price 50 cents a year, foreign \$1, payable in check or money order to the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

HERE ARE THE FACTS BEHIND MEAT IMPORTS

Meat imports to the United States in 1962 totaled around 1.8 billion pounds, carcass weight equivalent; they were equal to about 6 percent of our total production of about 29 billion pounds.

In product weight, meat imports in 1962 totaled 1.3 billion pounds, which included 971 million pounds of beef and veal, 203 million pounds pork, and 78 million pounds of lamb and mutton. Beef and veal imports were equal to 9 percent of domestic production; pork, 1.8 percent; and lamb, 1.8 percent.

All meat imports to the United States are a result of private transactions between traders in the United States and abroad. Imported meats are not government purchases.

The Department of Agriculture has been called on to take steps to restrict imports of beef. The Secretary of Agriculture has no authority to limit imports for economic reasons. His authority over imports of meat and live animals is confined to inspection, sanitation, and other requirements to prevent the dissemination of livestock diseases and to insure that imported meat is fit for human consumption.

If an industry feels that it has suffered because of imports, it may petition the United States Tariff Commission to conduct an investigation to determine eligibility for adjustment assistance.

While the volume of meat imports no doubt had some influence on the average price of all cattle last year, it was not an important factor influencing prices of fed cattle. Most of meat imports were frozen boneless beef and mutton from Australia, New Zealand, and Ireland. These products supplement U.S. production by supplying lower grade processing meat, which we have not been producing here in large enough quantities to meet domestic demand.

The imported boneless beef is also used for blending with fatter trim-

mings, obtained from domestic sources, which otherwise would not have been used. Their nonuse would have had a price-depressing effect on fat cattle prices.

Manufacturing beef imports have been attracted by relatively favorable domestic prices for lower grade beef. Marketings of lower grade cows and of old sheep, which provide a large part of our processing meat and which are most affected by imports, make up a relatively small part of domestic livestock sales. Very little high grade beef was imported last year. Yet the recent price decline which started in November was generally confined to fed cattle. Prices of slaughter cows and cow beef, with which beef imports compete, have been very little affected.

Domestic cow slaughter is expected to increase this year; this may tend to reduce the need for imports during the latter half of 1963.

If imported beef affected the up-and-down swing in fed cattle prices at all, it probably softened or counteracted the changes rather than exaggerating them. Monthly imports were largest when fed steer prices were rising last fall. They decreased when prices declined later.

The chief reason for the recent decline in prices of fed cattle from the very high levels of November 1962 has been the large increase in fed beef production and availability of fed cattle for market in the first half of 1963.

Relatively plentiful supplies of chicken and pork may also have had some effect on cattle prices. U.S. beef production, at a record high in 1961, maintained that level in 1962 and will probably rise in 1963. Domestic beef consumption increased from 81 pounds per person in 1958 to about 90 pounds in 1962. Record numbers of fed cattle have been marketed in the past 2 years and 12 percent more cattle were on feed for market on January 1, this year compared with last.

Martin Gerrity
Foreign Agricultural Service

FARMERS TO DIVERT 26 MILLION ACRES FROM FEED GRAINS

This year, farmers will divert nearly 26 million acres of land from feed grain production to soil-conserving uses, judging by preliminary returns on the 1963 program sign-up. This would be about 3 million acres less than was diverted in 1962, but slightly more than in 1961.

Farmers who produce corn, sorghums, or barley are eligible to participate in the program. The base acreage of the three grains on the participating farms totals about 76 million acres, somewhat greater than in 1962. But farmers signed up to divert only about 34 percent of the total base acreage on their farms this year, compared with over 40 percent in 1962.

This apparently reflects the greater inducement under the 1963 program for farmers to come into the program for diversion of up to 20 percent of their base, but the lesser inducement to divert more than 20 percent of their base.

Corn producers signed up to divert 17.7 million acres of corn to soil-conserving uses, somewhat less than were diverted in 1962.

Sorghum grain producers have signed up to divert 4.9 million acres. This was about a fifth less than in 1961 and 1962. Farmers have signed up to divert about 35 percent of their corn base acreage and 31 percent of their sorghum acreage compared with around 40 percent in 1961 and 1962.

Barley producers have signed up to divert 3.1 million acres of fall- and spring-seeded barley to soil-conserving uses, compared with 2.7 million acres in 1962.

The total payments for acreage diversion are estimated on the basis of the sign-up at \$472 million. In addition to acreage diversion payments, farmers will receive price-support-payments-per-bushel based on the partici-

pant's normal production on the total acreage planted. In the past 2 years, the price supports have been made only through loans or purchase agreements. Payments earned by farmers, including the price-support payments, are expected to total around \$900 million, somewhat more than the total acreage diversion payments in 1962.

Price supports for 1963 crops were raised a little above the 1962 levels. Price supports for 1963 crops are as follows:

	1963		
	Price support loan	Price support payment	Total support
Corn	\$1.07	\$0.18	\$1.25 per bu.
Oats65	0	.65 per bu.
Barley82	.14	.96 per bu.
Grain sorghum ..	1.71	.29	2.00 per cwt.

Under the 1963 program, payments for diversion of the first 20 percent of the base acreage will be computed on the basis of 20 percent of the normal production of the acres diverted valued at the county support rate. For acreage diversion above the 20-percent minimum, the payment will be based on 50 percent of the farmer's normal production. The maximum diversion again is 40 percent of the base acreage or 25 acres, whichever is higher.

Under the 1963 program, participants will be able to put all of their production of the three feed grains under loan or purchase agreement. In 1961 and 1962 price support was limited to normal production on the acreage harvested.

Another change from the 1962 program is that farmers may divert the total acreage signed to any of the three feed grains, which makes the program more flexible than in 1962.

Malcolm Clough
Economic Research Service



POULTRY EXPORTS ENDANGERED

Our poultry exports increased more than fivefold in the past 4 years. Last year we shipped 263 million pounds of frozen poultry and 8 million pounds of canned poultry to foreign countries. These exports were valued at \$76 million and were equivalent to 4 percent of our Nation's poultry production.

Most of the gain in exports in recent years has been from expanded sales to West Germany, Netherlands, and Switzerland. The first two are members of the Common Market, an association of six Western European countries, which also includes France, Italy, Belgium, and Luxembourg.

In 1962 the United States shipped 113 million pounds of broilers and 29 million pounds of turkey to the Common Market. These exports included broiler and turkey parts as well as whole birds. About 65 percent of our total broiler exports and 78 percent of our total turkey exports went to the Common Market. West Germany alone took 93 million pounds of broilers and 25 million pounds of turkeys.

However, the future of the foreign market for U.S. poultry is now highly uncertain. This is because of new trade regulations put into effect by the Common Market last August.

As a result of these regulations, total levies in West Germany against U.S. broilers increased from less than 5 cents per pound in the first half of 1962 to about 12½ cents in the second half; currently they are over 13 cents per pound. Charges against U.S. turkeys also rose by like amounts.

Thus far, our broiler exports have been hurt more than turkey exports, since the Common Market doesn't produce many turkeys. Broiler sales to foreign countries dropped to 66 million pounds in the second half of 1962 from 107 million in the first half and from 91 million in July-December 1961.

Turkey exports, however, continued to expand, rising from a year earlier by 7 million pounds in the first half and by 2 million in the second half.

Herman Bluestone
Economic Research Service

Oregon Growers Plan Decrease In 1963 Ryegrass Seed Acreage

If growers' intentions are realized, the acreage of annual and perennial ryegrass, harvested for seed, will total 140,000 acres this year. This compares with 157,000 acres last year, 142,000 in 1961, and 163,000 in 1960. The 1957-61 average was 138,800 acres.

The 1963 prospective acreage is based on the results of a survey made during the second and third weeks of March in which Oregon growers reported the acreage of ryegrass they intend to harvest for seed this year and the acreage harvested last year. All leading producing counties were represented in the survey.

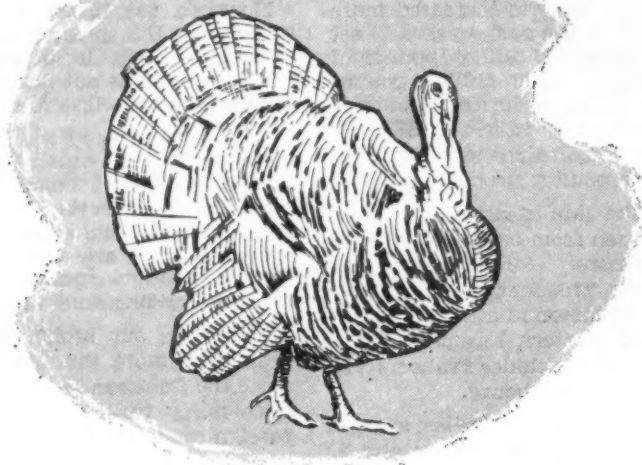
Weather this year has been generally favorable for ryegrass. While subsoil moisture is somewhat below average, light rains have maintained plants in good condition.

This is the third year that an intentions survey was made in response to demands by growers and dealers for an early indication on the size of the new crop. The purpose of the intentions survey is to assist growers generally in making such changes in their acreage plans as may seem desirable.

Users of the intentions indications should understand that growers' intentions may be modified before harvest, and that the acreage actually harvested in 1963 may be larger or smaller as a result of weather conditions, use of land for pasture, and other pertinent factors, including the possible effect of this report on growers' actions.

The Crop Reporting Board will issue a report on ryegrass acreage, yield, and production on December 18, 1963.

IS YOURS A TOP TEN TURKEY STATE?



The number of turkeys raised in the United States has more than doubled over the past 12 years. Last year the 48 mainland States raised 92.3 million turkeys, compared with 44.4 in 1950.

Most of the increase in turkey production during the past decade has been confined to a few important turkey-producing States. Total production in the 10 top ranking States rose 42.3 million birds, compared with the increase of 47.9 million for the 48 States. The 10 leading States accounted for 75 percent of the Nation's total in 1962, up from 60 percent in 1960.

The Big Two

California and Minnesota lead in turkey production by a substantial margin. In 1962 nearly 18.0 million turkeys were raised in California and 15.1 million in Minnesota. Together they produced more than one-third of the country's turkeys. Iowa and Wisconsin ranked third and fourth respectively with 7.8 million and 5.5 million birds. Next in order of importance were Missouri, Texas, Virginia, Utah, Ohio, and Indiana (see map on next page).

Turkey production has grown substantially in each of these 10 leading States since 1950, with rates of increase ranging from a high of 466 percent for

Wisconsin to a low of 76 percent for Virginia.

Production gains of about 150-170 percent were recorded in Indiana, Iowa, Minnesota, California, and Ohio, while Missouri, Texas, and Utah raised about 110-120 percent more turkeys than 12 years earlier. The more moderate production increase for Virginia reflected recent sharp declines in the number of Beltsville turkeys raised. Between 1959 and 1962 production of light breed turkeys in that State dropped 3.2 million birds.

The dynamic expansion in turkey production in the United States since 1950, however, has not been an unbroken climb; fewer turkeys than a year earlier were raised in 1953, 1955, 1958, and 1962. The declines resulted primarily from sharp reductions in prices and profitability in the years immediately preceding these—1952, 1954, 1957, and 1961.

Record Cutback

The largest production decline of record, however, occurred last year when U.S. producers raised 92.3 million birds, or 15.8 million fewer than in 1961. This was a cutback of 15 percent. More than half of this decline occurred in the West North Central Region, with production in Minnesota, Iowa, and



Missouri down 3.5 million, 2.0 million, and 1.6 million birds, respectively.

Among the 10 leading States only California increased production from 1961 to 1962, and of the 48 States only 10 States showed an increase.

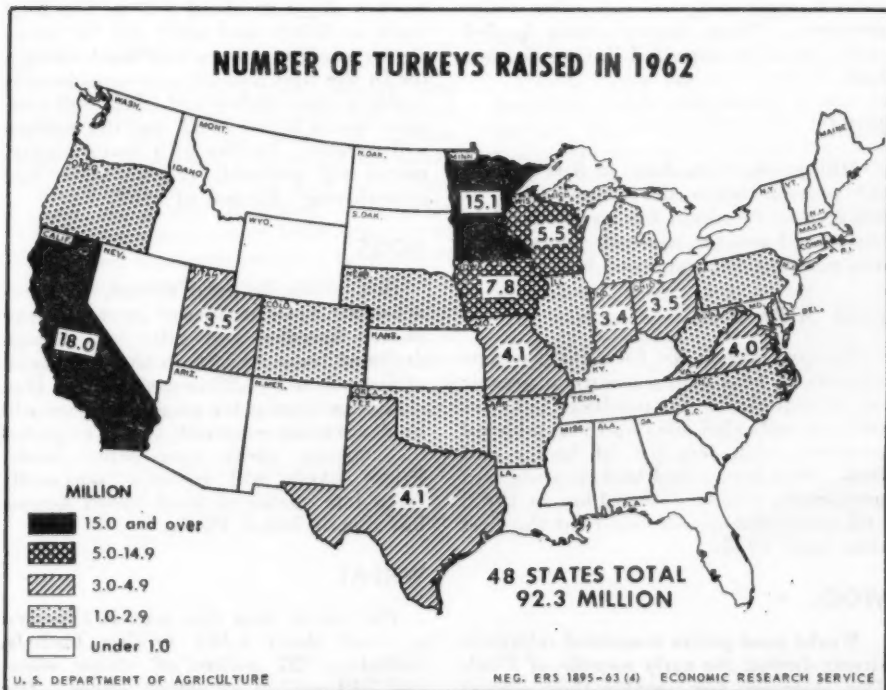
Since 1950, Wisconsin has gained the most in rank—from 12th place in 1950 to 4th place in 1962, as production increased more than fourfold. Arkansas and North Carolina, while not yet among the top 10 States, have also become much more important turkey States since 1950.

Arkansas rose to 11th place from 24th, and North Carolina moved up to 12th place from 22d. Significant declines in production and in rank were

experienced by Oregon and Pennsylvania. The 1962 production in each of these States was down nearly one-half million birds from 1950. Oregon ranked 6th and Pennsylvania 8th in 1950, but by 1962 Oregon had dropped to 14th place and Pennsylvania to 15th. Large declines in production also occurred in Washington, New York, and Maryland.

Farmers indicated in early January that they were planning to raise 3 percent more turkeys this year than in 1962. Intentions in 8 of the 10 leading States were for increases in 1963. Only California and Utah planned to reduce their output.

William Paddock
Economic Research Service



outlook



CATTLE

Prices of fed cattle declined sharply during the first quarter of 1963, but prices of slaughter cows increased slightly. Choice steers at Chicago were \$22.91 per hundred pounds in mid-March, \$4.84 below the first week in January. Utility-grade cows at Chicago, however, increased from \$15.25 to \$15.62 during the same period. From mid-March to mid-April, fed steer prices recovered about \$1.40. The outlook is for large-volume marketings of fed cattle to continue through midyear, with prices under pressure. Some improvement in fed cattle prices is expected during the last half.

MILK

Milk production, down in first quarter 0.9 percent below the same period of 1962, may be about last year's level in the second quarter, as weather moderates and pastures become available.

FATS AND OILS

The preference for food fat products appears to be shifting toward a greater use of liquid-type oil products (such as cooking and salad oils) and vegetable oil products, with less use of butter and lard. Both butter and lard consumption per person were at a record low in 1962, and margarine use declined for the first time since 1955.

WOOL

World wool prices remained relatively strong during the early months of 1963. The demand for smaller-than-normal

supplies was stable. World demand can be expected to remain steady. More blending or substitution of manmade fibers is likely. Marketing of spring clips from the Northern Hemisphere will partially alleviate the short wool supply in most major manufacturing countries. Moderately lower world wool prices are expected during the latter part of 1963.

SHEEP

Choice-grade lambs at Denver were just under \$20 in early January. They worked down to about \$19 by the final week in March and were still \$2 above a year earlier. Sheep and lamb slaughter in the first quarter was considerably under a year earlier and likely will continue to be below 1962, but the margin will narrow. In line with lower supply, prices will probably remain above last year through the rest of 1963.

HOGS

Hog prices dropped sharply in January—early April because of increased supplies. Barrows and gilts at Chicago declined from \$15.96 in the first week of January to \$13.83 in early April. Hog slaughter during the second quarter will be decreasing seasonally but is expected to continue above year-earlier levels. Prices likely will increase seasonally from late spring to peak about August but remain below 1962.

WHEAT

The wheat crop this year is expected to total about 1,167 million bushels, including 927 million of winter wheat and 240 million of spring wheat. The

quantity of 1962 crop wheat remaining under price support on March 31 totaled 255 million bushels, substantially above year earlier.

BROILERS

Broiler prices in April-June are likely to average higher than a year before. Hatching activity in the first quarter was below a year earlier. Higher prices seem probable despite greater competition from red meats and reduced poultry exports to the Common Market.

VEGETABLES



Early reports point to ample-to-heavy supplies of vegetables through spring. Indications are that supplies of both fresh and frozen vegetables, excluding potatoes, will be about the same as last spring. With larger early spring production than last year and a moderate increase in acreage for late spring harvest, supplies of potatoes are likely to remain large through spring.

FEED GRAINS

Farmers' March 1 plans indicate that about 128 million acres in feed grains will be planted this year, 2.6 million more than in 1962. However, this would be slightly below 1961 and 23 million acres below the 1959 and 1960 levels. Plans were to increase 1963 acreages of corn and sorghum over last year and to reduce acreages of oats and barley.

If there are average yields on this prospective acreage, with adjustment for trend, 1963 production of feed grains would total nearly 152 million tons or 6 percent above 1962 but 3 percent below the record output in 1960.

Carryover of feed grains into 1963-64 is expected to be down from year earlier, and the total supply will be a little less than in 1962-63.

TOBACCO



Based on prospective acreages and average yields, with allowance for trend, 1963 crops of flue-cured and burley tobacco are expected to be smaller than in 1962. But total 1963-64 supplies of these major cigarette tobaccos are likely to exceed 1962-63, because of anticipated larger carryovers.

Cigarette output and use in 1963 are expected to gain modestly over the record 1962 highs. Cigar use in 1963 is expected to at least equal 1962, and may increase some.

Exports of unmanufactured tobacco may be about 9 percent less in 1962-63 (ending June 30) than in 1961-62.

TURKEYS

Producers received 22.0 cents per pound for turkeys in April compared with 21.6 cents in April 1962. Higher prices are expected to continue to mid-year because of smaller supplies.

FRUIT

Peach prospects on April 1 in the Southern States were better than a year earlier. Peaches from these States and California are among the earliest of new-crop deciduous tree fruits to be marketed, usually starting in May. Movement of such fruits as sweet cherries, fresh plums, apricots, nectarines, and grapes will follow in late May or June. The early spring crop of strawberries (the harvest extends into May) is considerably smaller than the 1962 crop. Acreage for harvest in midspring States is 4 percent smaller than last year—that in late spring States, 2 percent larger.



THE COTTON SITUATION

The carryover of all kinds of cotton, in the United States on August 1, 1963, is expected to total at least 10.6 million bales. This is about 2.8 million bales more than on the previous August 1 and the largest carryover since 1957. The large increase in carryover expected this year is a result of the smallest disappearance since 1958-59 and the largest crop since 1953.

Disappearance of cotton in the United States during the 1962-63 crop year is estimated at 12.3 million bales, the smallest since 1958. This is 1.6 million bales below disappearance in the 1961-62 crop year and compares with the previous 5-year average of 14.0 million bales.

Our exports of cotton during the 1962-63 season may total less than 4.0 million bales, compared with 4.9 million bales exported in 1961-62. Exports are declining because U.S. cotton has encountered increasing competition in world markets from record production in foreign countries. This is coincident with the decline in cotton use abroad, which has fallen below earlier expectations. Foreign free world production of cotton in 1962-63 is expected to increase about 1.8 million bales from a year earlier, while cotton use may decline about 0.7 million bales.

Ginnings from the 1962 crop totaled 14.9 million running bales, as reported by the Bureau of the Census on March 20, 1963. This compares with 14.3 million bales for the 1961 crop and is the largest since 1953.

Cotton use by domestic textile mills during the current season is estimated at 8.3 million bales, a decrease of 700,000 bales from the 1961-62 season total of 9.0 million bales. Factors contributing to the lower level of mill use during the current season include: (1) Increases in total mill use of manmade fibers—up 18 percent in calendar 1962; (2) sharp increases in cotton textile imports—up 64 percent in 1962; and (3) uncertainty in the cotton industry because of possible new cotton legislation.

During the first 7 months of the current season, the seasonally adjusted daily rate of use has been below that of a year earlier, for all months except August. Continuation of this lower rate of use is indicated by a high ratio of mill inventories of cotton cloth to unfilled orders and by the recent increase in this ratio.

U.S. imports of cotton textiles, on a raw cotton equivalent basis, reached a record high level of 644,600 bales for calendar 1962. This was 64 percent above the 393,000 bales imported during 1961 and 23 percent larger than the previous record of 525,500 bales in 1960. While imports were increasing to record high levels, exports of cotton textiles in 1962 were equivalent to 460,900 bales, down from 498,300 bales in 1961 and the lowest since 1942. In 1962, for the second time on record, imports of cotton textiles exceeded exports by 183,700 bales. This import trade balance for 1962 compares with an export trade balance of 105,200 bales in 1961.

Stocks of cotton held by the Commodity Credit Corporation (owned and held as collateral against outstanding price support loans) as of April 5, 1963, totaled about 10.0 million bales, nearly double the 5.3 million bales on that date a year earlier. As of April 5, CCC held 5.3 million bales from the 1962 crop as collateral against outstanding price support loans, up from 3.9 million bales a year earlier.

On February 6, 1963, USDA announced a minimum 1963 crop-support price for Middling 1-inch cotton. The price is 32.47 cents per pound, gross weight, at average location. This is the same support price that was in effect in 1962 for such cotton. A minimum national average support price (average of the crop) of 31.70 cents per pound was also announced. For the 1963 crop of extra-long staple cotton, the level of price support will average 53.17 cents per pound, net weight—the same as for the 1962 crop.

Planting of about 14.8 million acres of all kinds of cotton has been indicated

for the 1963 crop. This is 9.2 percent less than the 16.3 million acres planted in 1962 and would be the smallest acreage since 1958. The smaller prospective planted acreage for 1963 reflects a reduction of cotton acreage allotments, down 1.8 million acres from 1962.

The average 15-spot market price for Middling 1-inch cotton in March was 34.04 cents per pound, up from 33.75 cents a month earlier and 33.75 cents

a year earlier. The average price has increased each month since November, when it was the lowest since August 1961.

The average price received by farmers for upland cotton in March was 31.93 cents per pound, up from 29.69 cents a month earlier and 30.65 cents a year earlier.

James R. Donald
Economic Research Service



CATTLE ON FEED UP 11 PERCENT

On April 1 cattle feeders in the 28 major feeding States had 8.1 million head of cattle and calves on feed for slaughter market, 11 percent more than April 1 last year. These 28 States include the North Central States, Western States, Pennsylvania, Oklahoma, Texas, Georgia, and Alabama.

There was a 10-percent seasonal decline in cattle feeding January 1 to April 1 this year, compared with an 8-percent decline during this period in 1962 and a 7-percent decline in 1961.

By Region

The North Central region with 5.3 million cattle on feed showed an increase of 7 percent from April 1, 1962. All States in this region had more cattle on feed than a year earlier. In the 11 Western States with 2.2 million head there were 20 percent more cattle on feed this April 1. All Western States, except Oregon, showed increases—with California, the leading Western State, up 24 percent. In other regions: Texas, Oklahoma, and Alabama showed increases, but Pennsylvania and

Georgia had fewer cattle on feed than April 1 last year.

By Weight Group

The number on feed by weight groups showed the following changes from April 1 a year earlier: Under 500 pounds, up 11 percent; 500–699 pounds, up 11 percent; 700–899 pounds, up 10 percent; 900–1,099 pounds, up 8 percent; and over 1,100 pounds a 24-percent increase.

On April 1 there were 3 percent fewer cattle than a year earlier that had been on feed less than 3 months. However, those on feed 3–6 months were up 16 percent and the number on feed more than 6 months was up 48 percent.

Cattle and calves placed on feed during January–March were down 4 percent from last year, but marketings of fed cattle for slaughter during this period were up 3 percent.

Cattle feeders expect to market 7 percent more cattle for slaughter during April–June this year than for this period last year.

Dan L. Herbert
Statistical Reporting Service

IN 1962-63 WESTERN EUROPE EXPECTS RECORD AGRICULTURAL PRODUCTION

Agricultural production in Western Europe, the fastest growing advanced economic area in the free world, is expected to reach a new record level in 1962-63.

Despite bad weather in some countries during the planting and growing season, Western Europe produced a bumper wheat crop of 48.2 million short tons compared with 42 million tons in 1961.

Production of feed grains, including rye, was greater than in 1961.

Production of potatoes and all fruit was down a little from 1961 and substantially below 2 years earlier. Olive oil output was down, but rice was up slightly.

France, the most important agricultural country in Western Europe, produced about 20 percent more grain in 1962 than in the previous year, but potato production was down 12 percent. Wine production rose 33 percent.

Grain production in West Germany during 1962 was about 23 percent above the previous year. The potato crop was up 6 percent; apples were more

than double 1961 output; the 1962 pear harvest was up 23 percent.

The 1962 harvest for most crops in the United Kingdom was well above average, with wheat and barley setting new records. Rye and oats production remained about the same.

Greece is having another good agricultural year in 1962-63 despite a hot, dry summer. Wheat production is up 6 percent, and tobacco 26 percent over 1961.

In 1962-63 overall agricultural production of Italy is expected to be down 5 percent from the previous year with substantial declines in corn, olives, citrus fruit, sugarbeets, almonds, and several vegetables. Wheat production is up 15 percent to a near record level.

Austria will continue its upward trend in agricultural production in 1962-63 with largest increases in coarse grains, fodder crops, live animals, and meats. Sugarbeet production also is up, but the potato crop is down.

Abnormally bad weather reduced Finland's total crop production 10 percent from 1961, affecting all crops except potatoes. Wheat production and fodder crops declined last year.

Long Careers of Service in Agricultural Statistics

Four employees of the Salt Lake City Statistical Reporting Service office may have established some kind of record.

The combined service of the four in the Federal Government adds up to a century and a quarter, of which 121 years have been in reporting Department statistics on agricultural crops and livestock—a little more than 100 years of this at the Salt Lake City office.

The four are: *Alton R. Larsen*, agricultural statistician-in-charge with 32.5 years of Federal service. Of these, 29 years were with the departmental Statistical Reporting Service, 20.5 of them at the Utah office.

Glenn E. Casey, agricultural statistician, 26.5 years with the Department and 14.5 at the Utah office.

Walter A. Peterson, statistical assistant, with 39 years at the Utah office.

Wanda G. Nemelka, administrative clerk, 26.5 years at the Utah office.

The Farmer's Share

In February the farmer's share of the consumer's food dollar was 37 cents, 1 cent less than it was in January. In February 1962, the farmer's share was 39 cents.

WATCH FOR CHANGES ON THE JUNE 1 REPORT

Please note the few slight changes in the farm labor questions on your June 1 Farm Report. As shown below, crop and livestock reporters will be asked on their June, September, and December reports for the number of hours worked by family members and by hired farm workers during the survey weeks. In the past you were always asked this in terms of days worked or the number of persons who worked 15 hours or more during the week. Your report on *hours worked* will provide a much clearer picture of the amount of farm work done in the United States.

Today many farm families work at other jobs as well as on the farm. Therefore, estimates of the number of persons who do some farm work should be supplemented by information on the hours they work.

Your estimate of hours spent at farmwork is likely to be quite accurate, even though you might have trouble in separating farm work from other activities.

In filling out the section of the report shown below keep two things in mind:

- If two or more members of your family each worked 15 hours or more at farm work without pay during the survey week, put down one figure for hours, the total number of hours worked by all.

- Put down the number of persons who worked for pay on the farm during the survey week as well as the total number of man-hours worked by all (one figure).

Every year the time men spend at farming grows more productive. Machines and increased "know-how" enable farmers and farm workers to accomplish this. The information on the hours it takes to produce the Nation's food and fiber is necessary to keep us all aware of where we stand in a rapidly changing agricultural economy. This knowledge can be made available thanks to the faithful contributions made by you crop, livestock, and price reporters.

FARM WORK Report work on this farm or ranch during week of May 19-25 (include chores and time spent in marketing or transacting other business for this place).	
FARM OPERATOR , how many hours during the week did you work on this farm or ranch — TOTAL HOURS WORKED	
OTHERS IN YOUR FAMILY who worked 15 hours or more during the week on this farm or ranch with- out receiving cash wages (don't include housework). NUMBER OF PERSONS	
TOTAL MAN-HOURS WORKED	
OTHER PEOPLE who did farm work 1 hour or more for pay on this farm or ranch during the week (including family members, croppers, and mem- bers of croppers' families receiving cash wages). NUMBER OF PERSONS	
TOTAL MAN-HOURS WORKED	

CAREERS FOR YOUNG MEN IN AG STATISTICS



The Statistical Reporting Service of the U.S. Department of Agriculture is the Nation's chief collector of agricultural statistics. The primary job of this agency is the preparation of forecasts, estimates, and reports of agricultural production, supply, price, and other aspects of the agricultural economy.

To accomplish this job, the Statistical Reporting Service has developed (over a period of 100 years) into a complex, nationwide organization. Those who work in this organization have a great deal of career flexibility because of the large number of available professional positions that provide opportunities for work on a variety of crops, livestock, and prices. USDA statistical work is carried on all over the United States with an ever-increasing emphasis on mathematical-statistical techniques and electronic data processing.

A young college man, looking for a career in agriculture, should find out what a job in agricultural statistics has to offer. The men in the monthly arti-

cle, "Meet the State Statistician" (on page 15), all chose agricultural statistics as their life's work. Today they can take pride in the position they have attained in their State's agricultural economy.

The work of these men and their skilled staffs is important to the Nation; for without a knowledge of what this country will produce in the months ahead, markets in the United States, as well as those in other countries, would not know what supplies to expect. Prices would fluctuate at unfair levels, and selling and buying agricultural commodities would be generally an unreliable business.

Young men who want to find out about a career collecting, analyzing, computing, and reporting agricultural statistics may write to: The Editor, AGRICULTURAL SITUATION, Office of Management Services, U.S. Department of Agriculture, Washington, D.C. Ask for: Miscellaneous Publication No. 927, "A Career for You in Agricultural Statistics."

Meet the State Statistician . . .

CARY D. PALMER



Years before walking attained such high status, Cary D. Palmer, Texas State Statistician, hiked 3 miles a day to keep in trim physical condition. He still does. He believes in the old Roman philosophy of a "sound mind in a sound body."

And as State statistician, he needs a sound mind and body to cover sprawling Texas—900 miles from east to west and the same from north to south. To service that vast area, he and his assistants travel some 150 thousand miles a year, covering the subtropical agricultural area around Brownsville on the Mexican border as well as the temperate area along the northern Panhandle.

It's a grueling pace, yet he and his tough Texans manage to cover the area and also tabulate 160 thousand mail reports a year plus some 14 thousand personal interviews.

Born in Grafton, Vt., in 1905, he cut his agricultural teeth on his father's farm, a farm that has been in the Palmer family for 150 years.

He was graduated from high school in Chester, Vt., in 1921. In 1926 he received a B.S. degree in farm manage-

ment from Massachusetts Agricultural College.

During the following 3 years he attended the University of Illinois; he received a Master's degree in Farm Management in 1928. A firm believer in adult education, he took graduate courses in agricultural economics at Purdue from 1930-34. Last year he completed a course in Executive Development at the University of Chicago.

Palmer began his career with USDA as a statistician at the Chicago stockyards in 1929. From 1934 to 1943 he served with the Crop Reporting Service (CRS) at Purdue, in New England, Kansas, Iowa, and New York.

In 1943 he came to Washington as head of the fruit section in CRS. From 1950 to 1958 he was in charge of South Dakota's CRS. He has been Statistician in Charge of the Texas Crop and Livestock Reporting Service since 1958.

While attending the University of Illinois, he met his future wife, the former Helen Marie McMillan. They were married in May 1929. She has B.A. and M.A. degrees in English. They have two children.

Palmer is justly proud of his adopted State, and at the drop of a statistic will tell you that Texas was one of the first States to use scientific sampling methods on an operational basis to improve the reliability of estimates. He doesn't hesitate to point out that Texas ranks first in cotton, cattle, sheep, sorghum grain, wool, goats, mohair, beef cows, rice, cowpeas, total crop acreage harvested, in number of farms, and acres of farm land.

He has come a long way since he was a boy on his father's farm in Vermont. In his long and useful career, the following statement probably best reflects the man and his character: "My most rewarding experience in 34 years of government service has been the recruiting, watching, and sometimes helping the development of 39 young statisticians."

May 1

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Editor: William Whyte

UNITED STATES
DEPARTMENT OF AGRICULTURE
STATISTICAL REPORTING SERVICE
WASHINGTON 25, D.C.
OFFICIAL BUSINESS

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